

DATE Jan 21

**Risk Category** Governance and Compliance Management

Risk Description	Probability	Mitigated probability
1 Failure to create, implement and monitor an effective strategic and operational approach to governance improvement across the MCA Group and for the LEP.	Green	Green
2 Failure to implement and monitor an effective approach to the publication of up to date relevant information on procurement, contracts, projects, policy documents and meeting papers could mean a lack of transparency.	Yellow	Green
3 Failure to effectively identify and plan for the integration of the PTE with the MCA as a consequence of the Bus Review leading to weaknesses in governance and compliance issues as the PTE operation is required to comply with the legislation governing MCA.	Orange	Yellow
4 Failure to create, implement and monitor an effective approach to ensuring legislative, regulatory and statutory compliance across the organisation.	Orange	Yellow
5 Lack of specialist procurement and commercial expertise and weaknesses in the capability of officers to effectively procure goods and services could mean a failure to secure best value and cost overruns as a result of poorly defined specifications.	Orange	Yellow
6 Failure to agree and implement a Mayoral Remuneration Panel and to get agreement to the outcome.	Yellow	Green
7 Failure to comply with the requirements of the LEP Review, particularly ensuring compliance with the gender diversity KPI	Green	Green
8 Failure to create and implement an effective decision making framework for the MCA and LEP via a new structure for Thematic Boards, with delegation levels agreed could mean a lack of efficiency in policy development, oversight and decision making.	Yellow	Green
9 Failure to create, implement and monitor an effective information asset and GDPR management approach to manage personal data following the devolution of AEB could mean increased probability of data breaches.	Yellow	Green

Overall/average mitigated probability score

Key

1 - Remote
2 - Unlikely
3 - Possible
4 - Probable
5 - Highly Probable

Potential Impact / Consequence if risk materialises	Impact	Mitigated impact
1 Poor assessment of governance improvement and compliance by Internal and External Audit and Government as part of the Annual Performance Review of LEPs.	Yellow	Green
2 Potential Litigation and Financial Penalties.	Yellow	Green
3 Potential data breach and penalties.	Yellow	Green
4 Bottle-necks in decision making.	Orange	Yellow
5 Increased numbers of FOIs.	Orange	Yellow
6 Reputational damage to the Mayor and the MCA and the Management Board of the MCA Executive.	Yellow	Green

Overall/average mitigated impact score

Key

1 - Immaterial
2 - Minor
3 - Moderate
4 - Major/Serious
5 - Extreme

Existing mitigation strategies / controls for the risk category
Deputy Chief Executive responsible for governance improvement activity across the MCA Executive and LEP.
Annual review of the Constitution, Financial Regulations, Contract Procedure Rules, Assurance and Accountability Framework and LEP Board Policies.
Fundamental review of CPRs and development of new procurement processes in year.
OSC and ASC scrutinise policies, processes, decisions. Members have informal briefing sessions with CEX and Senior Officers to increase the effectiveness of the scrutiny process.
HR Policies are reviewed and updated to ensure legislative compliance.
IT Security systems and GDPR Action Plan is in place.

Mitigated/Residual risk score

Key

1-4 Low
5-10 Medium
11-16 Medium-High
17-25 High

Existing mitigation strategies / controls weaknesses
There is no operational Governance Improvement Plan which specifies in detail the required actions and which officers are accountable for implementing actions, this results in weaknesses in transparency of information. MCA has influence to address the weakness.
Lack of an organisation wide training programme for all officers in the requirements of new CPR and procurement process, which makes clear the officer obligations and consequences for non-compliance. MCA has influence to address the weakness.
Lack of capacity and capability in the IT team to lead on the complex work as a result of the devolution of AEB. MCA has influence to address the weakness.

Action Plan	Status update	Interim date	completion date
Roll out of new CPR rules and processes and development of a MCA Exec wide training programme.	CPR Rules were approved by the MCA in November. Training to be rolled out appropriately.	Sep-20	Jan-21
Develop and implement a system of monitoring breaches in application of processes especially in procurement.	In progress	Sep-20	Oct-20
Agree the process for the Mayoral Remuneration Panel.	Process agreed. Final report of Remuneration Panel scheduled for MCA meeting Jan 21.	Sep-20	Oct-20
Create, implement and monitor an operational governance improvement plan with specific actions and officer accountabilities specified.	In progress	Sep-20	Oct-20
Agree a revised governance model linked to newly constituted Thematic Boards, with options to vary delegation levels considered.	Complete	Sep-20	Sep-20
Commission capacity, implement and seek assurances with regard to the data management and IT systems work for the devolution of AEB.	In progress	Sep-20	Jul-21
Risk / Mitigation Owner	Steve Davenport		